FDI in Power Generation and T and D

653. SHRI RAJKUMAR DHOOT: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that Government has allowed 100% FDI in power generation, transmission and distribution;

(b) if so, the details thereof and the reasons therefor; and

(c) the details of such projects expected to be covered under FDI during current and next fiscal year?

THE MINISTER OF POWER (SHRI P.M. SAYEED): (a)Yes, Sir. The Government has allowed 100% foreign direct investment (FDI) in respect of projects relating to electricity generation, (other than atomic reactor power plants) transmission and distribution.

(b) This has been allowed considering the urgent need for additional resources required for the development of the power sector. Foreign Direct Investment (FDI) upto 100% equity for power sector is allowed on automatic basis without any upper ceiling. The necessary approvals in these areas are given by the Reserve Bank of India.

(c) As per information available, 30 cases pertaining to development of power have been accorded approvals from April, 2003 to September, 2004, envisaging an FDI inflow of Rs.3515.96 crores. However, actual inflow of FDI would depend upon many other extraneous factors.

Agreement between PTC and Public Sector Power Plants

654. SHRI M.A.M. RAMASWAMY: Will the Minister of POWER be pleased to state:

(a) whether the Power Trading Corporation (PTC) has entered into an agreement with Public Sector Power generating plants and other private sector players to buy and sell power generated from these projects/plants;

(b) if so, the details thereof;

(c) whether the PTC propose to sell the purchased power to State Governments;